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MAR 6 1992

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

[redacted]

[XX] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

FOR THE QUARTER ENDED DECEMBER 31, 1991

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

Commission File No. 0-11043

ORION FINANCIAL, LTD.
(Exact name of Registrant as
specified in its charter)

Colorado	84-0858679
(State of other jurisdiction of incorporation or organization)	(IRS Employer Identification No.)
222 East Huntington Drive Suite 211 Monrovia, CA	91016
(Address of Principal Executive offices)	(Zip Code)
Registrant's telephone number, including area code:	(818) 304-4167

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Indicate whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2), has been subject to such filing requirements for the past 90 days.

Yes X No

As of December 31, 1991, Registrant had 4,641,522 shares of its no par value common stock issued and outstanding.

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ORION FINANCIAL, LTD.
AND SUBSIDIARIES

FORM 10-Q FOR THE QUARTER ENDED DECEMBER 31, 1991

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*The accompanying financial statements are not covered by an Independent Certified Public Accountant's Report.

ORION FINANCIAL, LTD.
AND SUBSIDIARIES
BALANCE SHEETS
(UNAUDITED)
ASSETS

	12/31/91	6/30/91
CURRENT ASSETS:		
Cash	$201,000	$539,000
Short Term Investments at cost	0	1,994,000
Receivables		
Net of allowance for doubtful accounts	487,000	530,000
Stockholder Notes	74,000	78,000
Other	102,000	103,000
Prepaid Expenses	124,000	94,000
Total Current Assets	988,000	3,338,000
EQUIPMENT AND LEASEHOLD IMPROVEMENTS, at cost, net	612,000	566,000
COMPUTER SOFTWARE, at cost, net	369,000	218,000
OTHER ASSETS:		
Interest in real estate held for resale, at cost	13,000	13,000
Notes Receivable - employees	33,000	33,000
Restricted Cash	98,000	98,000
Other Assets	158,000	222,000
	1,283,000	1,150,000
EXCESS OF PURCHASE PRICE OVER FAIR VALUE OF NET ASSETS ACQUIRED	599,000	606,000
TOTAL ASSETS	$2,870,000	$5,094,000

The accompanying notes are an integral part of these financial statements.

ORION FINANCIAL, LTD.
AND SUBSIDIARIES
BALANCE SHEETS
(UNAUDITED)
LIABILITIES & STOCKHOLDER'S EQUITY

	12/31/91	6/30/91
CURRENT LIABILITIES:		
Notes payable and current portion of long-term debt		
Financial Institutions	$388,000	$2,107,000
Stockholders	35,000	37,000
Capital Leases	42,000	43,000
Accounts payable	592,000	545,000
Accrued Expenses	105,000	191,000
Deferred Rent	28,000	0
TOTAL CURRENT LIABILITIES	1,190,000	2,923,000
LONG TERM DEBT, net of current portion		
Financial Institutions	0	109,000
Capital Leases	31,000	34,000
MINORITY INTEREST	(2,000)	19,000
COMMITMENTS		
STOCKHOLDER'S EQUITY:		
Preferred stock, no par value; 200,000,000 shares authorized; no shares issued or outstanding.		
Common stock, stated value of $.08 a share; 200,000,000 shares authorized, 4,641,552 shares issued and outstanding	409,000	409,000
Additional paid-in capital	4,632,000	4,632,000
Accumulated deficit	(3,359,000)	(3,001,000)
Treasury Stock, at Cost	(31,000)	(31,000)
TOTAL STOCKHOLDER'S EQUITY	1,651,000	2,009,000
TOTAL LIABILITIES AND STOCKHOLDER'S EQUITY	$2,870,000	$5,094,000

The accompanying notes are an integral part of these financial statements

ORION FINANCIAL, LTD.
AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF OPERATIONS
(UNAUDITED)

	FOR THREE MONTHS ENDED DECEMBER 31		FOR SIX MONTHS ENDED DECEMBER 31	
	1991	1990	1991	1990
REVENUE:				
Real Estate Development Servicing Fees	$729,000	$820,000	1,449,000	$1,661,000
Installment and Rental Collection Fees	496,000	621,000	1,059,000	1,240,000
Consumer Loan Servicing Fees	393,000	0	799,000	0
Escrow Services	0	31,000	0	48,000
Interest Income	9,000	73,000	30,000	150,000
TOTAL REVENUE	1,627,000	1,545,000	3,337,000	3,099,000
COSTS AND EXPENSES:				
General and Administrative	1,700,000	1,477,000	3,400,000	2,884,000
Operating Reserves	12,000	12,000	24,000	24,000
Depreciation and Amortization	70,000	69,000	137,000	147,000
Promotion and Advertising	81,000	63,000	148,000	101,000
Interest Expense	4,000	6,000	6,000	12,000
TOTAL EXPENSES	1,867,000	1,627,000	3,715,000	3,168,000
INCOME (LOSS) FROM CONTINUING OPERATIONS	(240,000)	(82,000)	(378,000)	(69,000)
Minority Interest in Subsidiary	(14,000)	(11,000)	(21,000)	(12,000)
NET INCOME (LOSS) FROM DISCONTINUED OPERATIONS	0	4,000	(1,000)	9,000
NET INCOME(LOSS)	($226,000)		($358,000)	($48,000)
Net Income (Loss)from Continuing Operations Per Common Share	(0.05)	(0.02)	(0.08)	(0.01)
Net Income (Loss) from Discontinued Operations Per Common Share	-	-	-	-
Net Income (Loss) Per Common Share	($0.05)	$0.00	($0.08)	($0.01)
Weighted Average of Common Shares Outstanding	4,641,552	4,666,522	4,641,552	4,666,522

The accompanying notes are an integral part of these financial statements.

ORION FINANCIAL, LTD.
AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF CASH FLOWS
(UNAUDITED)

	FOR SIX MONTHS ENDED DECEMBER 31	
	1991	1990
NET INCOME	($358,000)	($48,000)
NON CASH EXPENSES, REVENUES AND LOSSES INCLUDED IN INCOME:		
DEPRECIATION AND AMORTIZATION	137,000	147,000
OPERATING RESERVES	12,000	12,000
ALLOWANCE FOR DOUBTFUL ACCOUNTS	12,000	12,000
MINORITY INTEREST	(21,000)	(12,000)
(INCREASE) DECREASE IN Receivables	31,000	(110,000)
(INCREASE) DECREASE IN Stockholder Notes	4,000	0
(INCREASE) DECREASE IN Other Receivables	1,000	31,000
(INCREASE) DECREASE IN Prepaid Expenses	(30,000)	37,000
INCREASE (DECREASE) IN Accounts Payable and Accrued Expenses	(51,000)	(94,000)
INCREASE (DECREASE) IN Deferred Rent	28,000	(24,000)
NET CASH FLOW FROM OPERATING ACTIVITIES	(235,000)	(49,000)
CASH FLOW FROM INVESTING:		
CAPITAL EXPENDITURES	(327,000)	0
PROCEEDS FROM SALE OF ASSETS	0	47,000
PURCHASE OF NONCASH EQUIVALENTS	1,994,000	(1,900,000)
COLLECTION OF OTHER RECEIVABLES	64,000	51,000
NET BORROWING ON LINE OF CREDIT	(1,719,000)	1,817,000
NET CASH FLOW FROM INVESTMENT ACTIVITIES	12,000	15,000
CASH FLOW FROM FINANCING:		
PURCHASE OF TREASURY STOCK	0	(28,000)
PRINCIPAL PAYMENTS ON TERM DEBT	(115,000)	(11,000)
NET CASH FROM FINANCING ACTIVITIES	(115,000)	(39,000)
NET INCREASE (DECREASE) IN CASH	($338,000)	($73,000)

The accompanying notes are an integral part of these financial statements

ORION FINANCIAL, LTD.
AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

1. GENERAL:

Orion Financial, Ltd., (the "Company"), has elected to substantially omit footnotes to the Consolidated Financial Statements for the six months ended December 31, 1991, since there have been no material changes to the information previously reported by the Company in its annual report filed on Form 10-K, for the year ended June 30, 1991.

2. UNAUDITED INFORMATION:

The information furnished herein was taken from the books and records of the Company without audit. However, such information reflects all adjustments which are, in the opinion of management, necessary to properly reflect the results for the interim periods presented. The information presented is indicative of the results from operations expected for the full fiscal year.

3. SUBSEQUENT EVENTS:

In January 1992, the Company was informed that its request for an abatement of a $250,000 civil penalty, by the Internal Revenue Service ("IRS"), as previously described in footnote 10 of Form 10-K dated June 30, 1991, was denied. The IRS asserts that the penalty stems from missing social security numbers in the 1989 year end Form 1098 and 1099 filings, which the Company performs for its contract collection and timeshare customers. The Company feels that it exercised adequate due diligence to obtain social security numbers and will vigorously contest the penalty. The Company cannot assess the ultimate outcome at this time.

In February 1992, the Resolution Trust Corporation ("RTC"), informed the Company that the RTC does not intend to perform under its November 20, 1991, contract whereby the Company began servicing the consumer loan portfolios of Imperial Federal Savings ("Imperial") on behalf of the RTC. The Company has filed written protests with the RTC and is pursuing litigation against the RTC for breach of contract. The breach of contract by the RTC had a significant adverse effect on the Company, due to the tremendous expenditures made by the Company in order to perform its obligations under the contract.

ORION FINANCIAL, LTD.
AND SUBSIDIARIES

MANAGEMENT'S DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS

LIQUIDITY AND CAPITAL RESOURCES

Orion Financial, Ltd. (the "Company"), has used a significant portion of its working capital resources during the six months ended December 31, 1991. This was primarily due to the Company preparing to service a significant portfolio of consumer loans on behalf of the Resolution Trust Corporation ("RTC"), as receiver for Imperial Federal Savings. The Company has experienced tremendous negative cash flow due to increased staffing costs and other general and administrative expenses incurred in anticipation of the servicing of the portfolio. In addition, the Company has entered into on ... $900,000 of purchase agreements and lease contracts for equipment and software applications in connection with the project. As a result of the RTC canceling the contract with the Company, the Company has begun discussions to cancel or amend these purchase agreements and lease contracts.

The Company is currently experiencing a severe liquidity problem and is delaying payment to numerous creditors. The Company does not have sufficient working capital to continue as a going concern for the next year. Management is reviewing all options available including filing for protection under bankruptcy laws, while the Company attempts to restructure its business.

RESULTS OF OPERATIONS

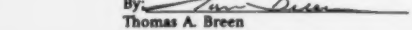
The Company reported a net loss o... `226,000 for the three months ended December 31, 1991, as compared to a net loss of $67,000 for the three months ended December 31, 1990. Revenues increased marginally from the prior year and this is attributable to some servicing conducted on behalf of the RTC. The revenue generated by the Company under its contracts with the RTC is significantly less than previously anticipated. Revenue generated from the servicing of timeshare resorts is down 12% in comparison to the prior year and this trend is expected to continue as portfolios of loans mature, loans are paid, and resort developers look for less expensive servicing alternatives.

Expenses increased approximately 15% in comparison to the prior year and this was primarily attributable to the RTC contracts. The Company increased staffing levels significantly due to the anticipated servicing of the Imperial Federal Savings portfolio. Salary expense specifically related to the anticipated servicing approximated $100,000 for the quarter ended December 31, 1991. In addition, travel, entertainment, overtime, and temporary help, increased a total of $45,000 in comparison to the previous quarter ended September 30, 1991, and this was mainly attributable to the Imperial contracts.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

ORION FINANCIAL, LTD.

By: 
Thomas A. Breen

President, Principal Executive Officer,
Principal Financial Officer, and Principal
Accounting Officer

Date: March 2, 1992